



SECURIT.

08029417

JN

Washington, D.C. 20549

## OMB APPROVAL

OMB Number: 3235-0123  
Expires: February 28, 2010  
Estimated average burden  
hours per response.....12.00

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

## SEC FILE NUMBER

8. 67446

## FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/07 AND ENDING 12/31/07  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: ACCESSALPHA WORLDWIDE, LLC

## OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

1603 Orrington Avenue

Evanston

(No. and Street)

IL

60201-5000

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Robert R. LeClercq III

847/475-6000

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

Flax and Company, P.C.

(Name - if individual, state last, first, middle name)

2200 Routsers Street

Park Ridge

IL

(Address)

(City)

SEC  
Mail Processing  
Section  
60068

(State)

(Zip Code)

## CHECK ONE:

☒ Certified Public Accountant☐ Public Accountant☐ Accountant not resident in United States or any of its possessions.

MAR 24 2008

MAR 03 2008

Washington, DC  
104

THOMSON  
FINANCIAL

**FOR OFFICIAL USE ONLY**

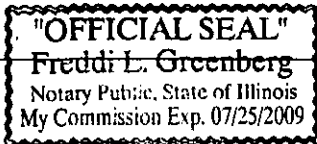
\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

AB  
3/24

## OATH OR AFFIRMATION

I, Robert R. LeClercq, III, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of AccessAlpha Worldwide, LLC, as of December 31, 2007, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

No Exceptions



Freddi L. Greenberg  
Notary Public

Robert R. LeClercq, III  
Signature

Chief Financial Officer  
Title

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☐ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☐ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☐ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☐ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).

ACCESSALPHA WORLDWIDE, LLC

DECEMBER 31, 2007

TABLE OF CONTENTS

	<u>PAGE</u>
<b>INDEPENDENT AUDITORS' REPORT</b>	
<b>FINANCIAL STATEMENTS</b>	
Statement of Financial Condition.....	3 - 4
Statement of Computation of Net Capital .....	5
Statement of Computations of Net Capital Requirement and Aggregate Indebtedness .....	6
Statement of Income .....	7
Statement of Changes in Ownership Equity and Exemptive Provision Under Rule 15c3-3 .....	8 - 9
Statement of Cash Flows .....	10
<b>NOTES TO FINANCIAL STATEMENTS .....</b>	<b>11 - 13</b>
<b>SUPPLEMENTAL INFORMATION</b>	
Auditors' Report on Internal Control .....	14

**FLAX AND COMPANY, P.C.**

ACCOUNTING AND CONSULTING

2200 BOUTERSE AVENUE  
PARK RIDGE, ILLINOIS 60068

telephone: 847.696.4888  
facsimile: 847.696.1546

To the Members  
AccessAlpha Worldwide, LLC  
Evanston, Illinois 60201

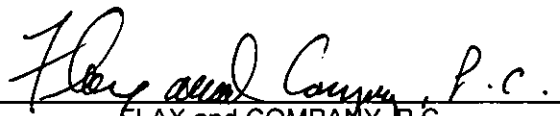
**INDEPENDENT AUDITORS' REPORT**

We have audited the accompanying statements on pages 3-10 in the Financial and Operational Combined Uniform Single Report Part IIA of AccessAlpha Worldwide, LLC. (an Illinois limited liability company) as of December 31, 2007 and for the year then ended. These statements are the responsibility of the management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the statements on pages 3-10 are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly in all material respects, the information therein of AccessAlpha Worldwide, LLC as of December 31, 2007 and for the year then ended in conformity with U.S. generally accepted accounting principles.

February 22, 2008

  
FLAX and COMPANY, P.C.

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL	
OMB Number:	3235-0123
Expires:	February 28, 2010
Estimated average burden hours per response.....	12.00

Form  
X-17A-5

**FOCUS REPORT**  
(Financial and Operational Combined Uniform Single Report)  
**PART IIA** 12

(Please read instructions before preparing Form.)

This report is being filed pursuant to (Check Applicable Block(s)):

1) Rule 17a-5(a) ☒ 16

2) Rule 17a-5(b) ☐ 17

3) Rule 17a-11 ☐ 18

4) Special request by designated examining authority ☐ 19

5) Other ☐ 26

NAME OF BROKER-DEALER

SEC FILE NO.

AccessAlpha Worldwide, LLC 13

8-67446 14

ADDRESS OF PRINCIPAL PLACE OF BUSINESS (Do Not Use P.O. Box No.)

FIRM I.D. NO.

1603 Orrington Avenue 20

142279 15

(No. and Street)

FOR PERIOD BEGINNING (MM/DD/YY)

01/01/07 24

Evanston 21

IL 22

60201-5000 23

AND ENDING (MM/DD/YY)

12/31/07 25

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

(Area Code) — Telephone No.

Robert R. LeClercq III 30

847/475-6000 31

NAME(S) OF SUBSIDIARIES OR AFFILIATES CONSOLIDATED IN THIS REPORT:

OFFICIAL USE

32

33

34

35

36

37

38

39

DOES RESPONDENT CARRY ITS OWN CUSTOMER ACCOUNTS?

YES

☐ 40

NO

☐ 41

CHECK HERE IF RESPONDENT IS FILING AN AUDITED REPORT

☐ 42

**EXECUTION:**

The registrant/broker or dealer submitting this Form and its attachments and the person(s) by whom it is executed represent hereby that all information contained therein is true, correct and complete. It is understood that all required items, statements, and schedules are considered integral parts of this Form and that the submission of any amendment represents that all unamended items, statements and schedules remain true, correct and complete as previously submitted.

Dated the 28<sup>th</sup> day of February 2008

Manual signature of:

1)

Principal Executive Officer or Managing Partner

2)

Principal Financial Officer or Partner

3)

Principal Operations Officer or Partner

**ATTENTION** — Intentional misstatements or omissions of facts constitute Federal Criminal Violations. (See 18 U.S.C. 1001 and 15 U.S.C. 78f(a))

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1696 (02-03) 1 of 16

# TO BE COMPLETED WITH THE ANNUAL AUDIT REPORT ONLY:

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report

NAME (If individual, state last, first, middle name)

Flax and Company, P.C.

70

ADDRESS

2200 Bouterse Street

71

Park Ridge

72

IL

73

60068

74

Number and Street

City

State

Zip Code

CHECK ONE

☐ Certified Public Accountant

75

☐ Public Accountant

76

☐ Accountant not resident in United States  
or any of its possessions

77

FOR SEC USE

--	--

DO NOT WRITE UNDER THIS LINE . . . FOR SEC USE ONLY

WORK LOCATION	REPORT DATE MM/DD/YY	DOC. SEQ. NO.	CARD				
50	51	52	53				

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER AccessAlpha Worldwide, LLC

N3

100

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

as of (MM/DD/YY) 12/31/07

SEC FILE NO. 8-67446

Consolidated

Unconsolidated

X

99

98

198

199

	Allowable	Non-Allowable	Total
1. Cash	\$ 36,588 200		\$ 36,588 750
2. Receivables from brokers or dealers:			
A. Clearance account	295		
B. Other	300	550	810
3. Receivable from non-customers	355	2,304 600	2,304 830
4. Securities and spot commodities owned at market value:			
A. Exempted securities	418		
B. Debt securities	419		
C. Options	420		
D. Other securities	424		
E. Spot commodities	430		850
5. Securities and/or other investments not readily marketable:			
A. At cost \$	130		
B. At estimated fair value	440	610	860
6. Securities borrowed under subordination agreements and partners' individual and capital securities accounts, at market value:	460	630	880
A. Exempted securities \$	150		
B. Other securities \$	160		
7. Secured demand notes: Market value of collateral:	470	640	890
A. Exempted securities \$	170		
B. Other securities \$	180		
8. Memberships in exchanges:			
A. Owned, at market \$	190		
B. Owned, at cost		650	
C. Contributed for use of the company, at market value		660	900
9. Investment in and receivables from affiliates, subsidiaries and associated partnerships	480	670	910
10. Property, furniture, equipment, leasehold improvements and rights under lease agreements, at cost-net of accumulated depreciation and amortization	490	5,953 680	5,953 920
11. Other assets	535	10,961 735	10,961 930
12. TOTAL ASSETS	\$ 36,588 540	\$ 19,218 740	\$ 55,806 940

OMIT PENNIES

The accompanying notes are an integral part of these financial statements:

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

AccessAlpha Worldwide, LLC

as of 12/31/07

### STATEMENT OF FINANCIAL CONDITION FOR NONCARRYING, NONCLEARING AND CERTAIN OTHER BROKERS OR DEALERS

#### LIABILITIES AND OWNERSHIP EQUITY

Liabilities	A.I. Liabilities	Non-A.I. Liabilities	Total
13. Bank loans payable .....	\$ 1045	\$ 1255 <sup>13</sup>	\$ 1470
14. Payable to brokers or dealers:			
A. Clearance account .....	1114	1315	1560
B. Other .....	1115 <sup>10</sup>	1305	1540
15. Payable to non-customers .....	13,536	1355	13,536
16. Securities sold not yet purchased, at market value .....		1360	1620
17. Accounts payable, accrued liabilities, expenses and other .....	9,859	1385	9,859
18. Notes and mortgages payable:			
A. Unsecured .....	1210		1690
B. Secured .....	1211 <sup>12</sup>	1390 <sup>14</sup>	1700
19. E. Liabilities subordinated to claims of general creditors:			
A. Cash borrowings:		1400	1710
1. from outsiders <sup>15</sup> \$	970		
2. includes equity subordination (15c3-1(d)) of ... \$	980		
B. Securities borrowings, at market value from outsiders \$	990	1410	1720
C. Pursuant to secured demand note collateral agreements		1420	1730
1. from outsiders \$	1000		
2. includes equity subordination (15c3-1(d)) of ... \$	1010		
D. Exchange memberships contributed for use of company, at market value		1430	1740
E. Accounts and other borrowings not qualified for net capital purposes	1220	1440	1750
20. TOTAL LIABILITIES .....	\$ 23,395	\$ 1450	\$ 23,395
<b>Ownership Equity</b>			
21. Sole Proprietorship .....		15	1770
22. Partnership (limited partners) .....	11 (\$ 1020)		32,411
23. Corporation:			
A. Preferred stock .....			1791
B. Common stock .....			1792
C. Additional paid-in capital .....			1793
D. Retained earnings .....			1794
E. Total .....			1795
F. Less capital stock in treasury .....		16	1796
24. TOTAL OWNERSHIP EQUITY .....			\$ 32,411
25. TOTAL LIABILITIES AND OWNERSHIP EQUITY .....			\$ 55,806

OMIT PENNIES

The accompanying notes are an integral part of these financial statements.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER

AccessAlpha Worldwide, LLC

as of 12/31/07

### COMPUTATION OF NET CAPITAL

1. Total ownership equity from Statement of Financial Condition .....	\$	32,411	3480
2. Deduct ownership equity not allowable for Net Capital .....	19	( -0- )	3490
3. Total ownership equity qualified for Net Capital .....		32,411	3500
4. Add:			
A. Liabilities subordinated to claims of general creditors allowable in computation of net capital .....		-0-	3520
B. Other (deductions) or allowable credits (List) .....		-0-	3525
5. Total capital and allowable subordinated liabilities .....	\$	32,411	3530
6. Deductions and/or charges:			
A. Total non-allowable assets from			
Statement of Financial Condition (Notes B and C) .....	17	\$ 19,218	3540
B. Secured demand note delinquency .....		-0-	3590
C. Commodity futures contracts and spot commodities --			
proprietary capital charges .....		-0-	3600
D. Other deductions and/or charges .....		-0-	3610
7. Other additions and/or allowable credits (List) .....		( 19,218 )	3620
8. Net capital before haircuts on securities positions .....		-0-	3630
9. Haircuts on securities (computed, where applicable, pursuant to 15c3-1(f)):	20	\$ 13,193	3640
A. Contractual securities commitments .....	\$	-0-	3660
B. Subordinated securities borrowings .....		-0-	3670
C. Trading and investment securities:			
1. Exempted securities .....	18	-0-	3735
2. Debt securities .....		-0-	3733
3. Options .....		-0-	3730
4. Other securities .....		-0-	3734
D. Undue Concentration .....		-0-	3650
E. Other (List) .....		-0-	3736
		( -0- )	3740
10. Net Capital .....	\$	13,193	3750

OMIT PENNIES

The accompanying notes are an integral part of these financial statements.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER AccessAlpha Worldwide, LLC

as of 12/31/07

### COMPUTATION OF NET CAPITAL REQUIREMENT

<b>Part A</b>		18
11. Minimum net capital required (6 2/3% of line 10)	\$	1,560 3756
12. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A)	\$	5,000 3758
13. Net capital requirement (greater of line 11 or 12)	\$	5,000 3760
14. Excess net capital (line 10 less 13)	\$	8,193 3770
15. Excess net capital at 1000% (line 10 less 10% of line 14)	\$	10,853 3780

### COMPUTATION OF AGGREGATE INDEBTEDNESS

16. Total A.I. liabilities from Statement of Financial Condition	\$	23,395 3790
17. Add:		
A. Drafts for immediate credit	\$	-0- 3800
B. Market value of securities borrowed for which no equivalent value is paid or credited	\$	-0- 3810
C. Other unrecorded amounts (List)	\$	-0- 3820
18. Total aggregate indebtedness	\$	23,395 3840
19. Percentage of aggregate indebtedness to net capital (line 18 ÷ by line 10)	%	1.77 3850
20. Percentage of debt to debt-equity total computed in accordance with Rule 15c3-1(d)	%	-0- 3860

### COMPUTATION OF ALTERNATE NET CAPITAL REQUIREMENT

<b>Part B</b>		
21. 2% of combined aggregate debit items as shown in Formula for Reserve Requirements pursuant to Rule 15c3-3 prepared as of the date of the net capital computation including both brokers or dealers and consolidated subsidiaries' debits .....	\$	<div>3970</div>
22. Minimum dollar net capital requirement of reporting broker or dealer and minimum net capital requirement of subsidiaries computed in accordance with Note (A) .....	\$	<div>3880</div>
23. Net capital requirement (greater of line 21 or 22) .....	\$	<div>3760</div>
24. Excess capital (line 10 less 23) .....	\$	<div>3910</div>
25. Net capital in excess of the greater of:		
A. 5% of combined aggregate debit items or \$120,000 .....	\$	<div>3920</div>

#### NOTES:

- (A) The minimum net capital requirement should be computed by adding the minimum dollar net capital requirement of the reporting broker dealer and, for each subsidiary to be consolidated, the greater of:
1. Minimum dollar net capital requirement, or
  2. 6 2/3% of aggregate indebtedness or 4% of aggregate debits if alternative method is used.
- (B) Do not deduct the value of securities borrowed under subordination agreements or secured demand note covered by subordination agreements not in satisfactory form and the market values of memberships in exchanges contributed for use of company (contra to item 1740) and partners' securities which were included in non-allowable assets.
- (C) For reports filed pursuant to paragraph (d) of Rule 17a-5, respondent should provide a list of material non-allowable assets.

The accompanying notes are as integral part of these financial statements.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER AccessAlpha Worldwide, LLC

For the period (MMDDYY) from 01/01/07 3932 to 12/31/07 3933  
 Number of months included in this statement 12 3931

### STATEMENT OF INCOME (LOSS)

#### REVENUE

1. Commissions:		
a. Commissions on transactions in exchange listed equity securities executed on an exchange .....	\$	3935
b. Commissions on listed option transactions .....	25	3938
c. All other securities commissions .....		3939
d. Total securities commissions .....		3940
2. Gains or losses on firm securities trading accounts		
a. From market making in options on a national securities exchange .....		3945
b. From all other trading .....		3949
c. Total gain (loss) .....		3950
3. Gains or losses on firm securities investment accounts .....		3952
4. Profit (loss) from underwriting and selling groups .....	26	3955
5. Revenue from sale of investment company shares .....		3970
6. Commodities revenue .....		3990
7. Fees for account supervision, investment advisory and administrative services .....		3975
8. Other revenue .....		222,500 3995
9. Total revenue .....	\$	222,500 4030

#### EXPENSES

10. Salaries and other employment costs for general partners and voting stockholder officers .....		30,000 4120
11. Other employee compensation and benefits .....		4115
12. Commissions paid to other broker-dealers .....		4140
13. Interest expense .....		4075
a. Includes interest on accounts subject to subordination agreements .....	4070	
14. Regulatory fees and expenses .....		2,500 4195
15. Other expenses .....		175,289 4100
16. Total expenses .....	\$	207,789 4200

#### NET INCOME

17. Income (loss) before Federal income taxes and items below (Item 9 less Item 16) .....	\$	14,711 4210
18. Provision for Federal income taxes (for parent only) .....	28	4220
19. Equity in earnings (losses) of unconsolidated subsidiaries not included above .....		4222
a. After Federal income taxes of .....	4338	
20. Extraordinary gains (losses) .....		4224
a. After Federal income taxes of .....	4239	
21. Cumulative effect of changes in accounting principles .....		4225
22. Net income (loss) after Federal income taxes and extraordinary items .....	\$	14,711 4230

#### MONTHLY INCOME

23. Income (current month only) before provision for Federal income taxes and extraordinary items .....	\$	(15,383) 4211
---	----	---------------

The accompanying notes are an integral part of these financial statements.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER AccessAlpha Worldwide, LLC

For the period (MMDDYY) from 01/01/07 to 12/31/07

### STATEMENT OF CHANGES IN OWNERSHIP EQUITY (SOLE PROPRIETORSHIP, PARTNERSHIP OR CORPORATION)

1. Balance, beginning of period .....	\$	36,748	4240
A. Net income (loss) .....		14,711	4250
B. Additions (Includes non-conforming capital of .....	\$	4262	4260
C. Deductions (Includes non-conforming capital of .....	\$	4272	4270
		25,362	4260
		44,410	4270
2. Balance, end of period (From item 1800) .....	\$	32,411	4290

### STATEMENT OF CHANGES IN LIABILITIES SUBORDINATED TO CLAIMS OF GENERAL CREDITORS

3. Balance, beginning of period .....	\$	4300	4300
A. Increases .....		4310	4310
B. Decreases .....		4320	4320
4. Balance, end of period (From item 3520) .....	\$	4330	4330

OMIT PENNIES

The accompanying notes are an integral part of these financial statements.

# FINANCIAL AND OPERATIONAL COMBINED UNIFORM SINGLE REPORT

## PART IIA

BROKER OR DEALER    AccessAlpha Worldwide, LLC

as of 12/31/07

### EXEMPTIVE PROVISION UNDER RULE 15c3-3

24. If an exemption from Rule 15c3-1 is claimed, identify below the section upon which such exemption is based (check one only)

- |  |      |      |
|--|------|------|
| A. (k)(1) — \$2,500 capital category as per Rule 15c3-1 .....  | X    | 4550 |
| B. (k)(2)(A) — "Special Account for the Exclusive Benefit of customers" maintained .....                   | X    | 4560 |
| C. (k)(2)(B) — All customer transactions cleared through another broker-dealer on a fully disclosed basis. |      |      |
| Name of clearing firm <sup>30</sup> .....  | 4335 | 4570 |
| D. (k)(3) — Exempted by order of the Commission (include copy of letter) .....                             |      | 4580 |

**Ownership Equity and Subordinated Liabilities maturing or proposed to be withdrawn within the next six months and accruals, (as defined below), which have not been deducted in the computation of Net Capital.**

Type of Proposed Withdrawal or Accrual (See below for code )	Name of Lender or Contributor	Insider or Outsider? (In or Out)	Amount to be Withdrawn (cash amount and/or Net Capital Value of Securities)	(MMDDYY) Withdrawal or Maturity Date	Expect to Renew (Yes or No)
31 4600	4601	4602	4603	4604	4605
32 4610	4611	4612	4613	4614	4615
33 4620	4621	4622	4623	4624	4625
34 4630	4631	4632	4633	4634	4635
35 4640	4641	4642	4643	4644	4645
			Total \$ <sup>36</sup>	4699	

OMIT PENNIES

Instructions: Detail Listing must include the total of items maturing during the six month period following the report date, regardless of whether or not the capital contribution is expected to be renewed. The schedule must also include proposed capital withdrawals scheduled within the six month period following the report date including the proposed redemption of stock and anticipated accruals which would cause a reduction of Net Capital. These anticipated accruals would include amounts of bonuses, partners' drawing accounts, taxes, and interest on capital, voluntary contributions to pension or profit sharing plans, etc., which have not been deducted in the computation of Net Capital, but which you anticipate will be paid within the next six months.

<b>WITHDRAWAL CODE:</b>	<b>DESCRIPTIONS</b>
1.	Equity Capital
2.	Subordinated Liabilities
3.	Accruals

The accompanying notes are an integral part of these financial statements.

ACCESSALPHA WORLDWIDE, LLC

STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2007

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Net Income	\$ 14,711
Adjustments to Reconcile Net Income or (Loss) to Net Cash Provided or (Used) by Operating Activities:	
(Increase) Decrease in Operating Assets:	
Depreciation and Amortization	9,435
Other assets	( 1,335)
Increase (Decrease) in Operating Liabilities:	
Accounts Payable and Accrued Expenses	9,859
Due to non-customers	13,536
Net Cash (Used) by Operating Activities	46,206

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Additions to property and equipment	( 8,022)
Acquisitions of Goodwill	( 5,126)
Additions to member capital	25,362
Net Cash ( Provided) by Investing Activities	12,214

**CASH FLOWS FROM FINANCING ACTIVITIES:**

Distributions To members	( 44,410)
Net Increase in Cash	14,010
Cash and Cash Equivalents, Beginning of Year	22,578
Cash and Cash Equivalents, End of Year	\$ 36,588

Supplemental Disclosures

1. The Company considers all investments having a maturity of less than 90 days to be "cash equivalents."
2. The Company paid no interest expense during the year ended December 31, 2007.
3. The Company paid no income taxes during the year ended December 31, 2007.

The accompanying notes are an integral part of these financial statements

ACCESSALPHA WORLDWIDE, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE A – ORGANIZATION

AccessAlpha Worldwide LLC (the “Company”) was organized in Delaware on June 26, 2006. The Company operates from one location in Evanston, Illinois, providing marketing services to investment managers. They operate as a limited broker-dealer engaged in marketing, as an agent and intermediary, for funds offering a diversified range of investment strategies by investment advisors and investment managers not affiliated with the Company.

NOTE B – SIGNIFICANT ACCOUNTING POLICIES

Overall Accounting Method

The Company maintains books and records using its tax basis method of accounting.

Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, and revenue and expenses during the period reported. Actual results could differ from those estimates. Estimates are used when accounting for long-term contracts, allowances for uncollectable accounts receivable, taxes and contingencies among others.

Property and Equipment

Property and equipment are stated at cost and are depreciated using the MACRS method over the estimated useful lives of the assets. Maintenance and repairs are charged to expense as incurred. When items of equipment are sold or retired, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is included in the results of operations.

Advertising

The Company's policy is to expense advertising costs as incurred. For 2007 the amounts expensed were \$1,808.

NOTE C - INCOME TAXES

The Company, with the consent of its members, elected under the Internal Revenue Code to file tax returns as a partnership. The members of an LLC are taxed on their proportionate share of the Company's taxable income. Therefore, no liability or provision for federal income taxes has been included in these financial statements. The Company is subject to state income taxes.

ACCESSALPHA WORLDWIDE, LLC

NOTES TO FINANCIAL STATEMENTS

DECEMBER 31, 2007

NOTE D – CAPITAL REQUIREMENTS

The Company is subject to the net capital requirements of FINRA, and as such, is required to maintain a net capital of \$5,000. Net capital of the Company at December 31, 2007 was \$13,193. The minimum capital requirements may effectively restrict the withdrawal of Company equity.

NOTE E – LEASE OBLIGATIONS

The Company has entered into an agreement to lease facilities for their company office. The lease term is five (5) years. There is one renewal options for three additional years. The lease is dated in December, 2007 and commences on April 1, 2008. The lease also requires the tenant to pay its proportionate share of the increase in real estate taxes and operating expenses over the base year 2008.

Approximate future minimum lease payments are as follows:

2008	45,675
2009	62,727
2010	64,609
2011	66,547
2012 and beyond	85,679

In addition the Company is obligated under an equipment lease dated February 13, 2007 and expiring on May 13, 2009. Future minimum payments in 2008 are \$ 12,370 and in 2009 \$ 4,123.

NOTE F – REVENUE CONCENTRATION

The company's revenue is derived from marketing services to three (3) investment managers. As of December 31, 2007 all revenue has been derived from non refundable fixed fees. Additional fees are to be generated through performance. Each relationship is automatically renewable unless terminated by either party with not less than 90 days notification.

ACCESSALPHA WORLDWIDE, LLC  
NOTES TO FINANCIAL STATEMENTS  
DECEMBER 31, 2007

NOTE G – CREDIT RISK –

The Company acts as an introducing broker to other investment managers and does not take possession of any investor funds or securities in connection with acting as a selling or placement agent. The Company has no exposure to credit risk associated with the nonperformance of the parties in fulfilling any contractual obligations pursuant to securities transactions. The Company does not anticipate nonperformance by any of the parties.

NOTE H – CAPITAL TRANSACTIONS –

The Company, on October 29, 2007, admitted an additional member with a .5% membership interest. On October 31, 2007, the company acquired all of the membership interest of Thomas Harrison for his investment of \$36,000 plus any 2007 allocable income. Any excess amount paid has been recorded as Goodwill and is reflected in these financial statements.

NOTE I – SUBSEQUENT EVENT

On January 1, 2008 a new member was admitted adding \$65,000 of additional capital. It is the intention of the Company to use the additional capital in current operations and to fund expansion.

NOTE J – AUDITED NET CAPITAL COMPUTATION

Audited Net Capital at December 31, 2007 was \$ 13,193

SUPPLEMENTAL INFORMATION

## AUDITORS' REPORT ON INTERNAL CONTROL

To the Members  
AccessAlpha Worldwide, LLC  
Evanston, Illinois

We have audited the statements on pages 3-10 in the Financial and Operational Combined Uniform Single Report Part IIA of AccessAlpha Worldwide, LLC as of December 31, 2007 and for the year then ended, and have issued our report thereon dated February 22, 2008.

As part of our audit, we made a study evaluation of the internal control structure to the extent we considered necessary to evaluate the structure as required by generally accepted auditing standards. Under those standards, the purpose of such evaluations are to establish a basis for reliance thereon in determining the nature, timing and extent of other auditing procedures necessary for expressing an opinion on the financial statements and to assist the auditor in planning and performing the audit of the financial statements.


The objective of internal accounting control is to provide reasonable, but not absolute, assurance as to the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a system of internal control should not exceed the benefits derived and also recognizes that evaluation of these factors necessarily requires estimates and judgments by management.

There are inherent limitations that should be recognized in considering the potential effectiveness of any system of internal control. In the performance of most control procedures, errors can result from misunderstanding of instructions, mistakes of judgment, carelessness or other personal factors. Control procedures whose effectiveness depends upon segregation of duties can be circumvented by collusion.

Similarly, control procedures can be circumvented intentionally by management with respect either to the execution and recording of transactions or with respect to the estimates and judgments required in the preparation of financial statements. Further, projection of any evaluation of internal control to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions and that the degree of compliance with the procedures may deteriorate.

Our audit of the financial statements made in accordance with U.S. generally accepted auditing standards, including the study and evaluation of the Company's internal control structure that was made for the purpose set forth in the first paragraph of this report, would not necessarily disclose all weaknesses in the system because it was based on selective tests of accounting records and related data. During our review of the control structure we did not become aware of any material weaknesses.

The foregoing conditions were considered in determining the nature, timing and extent of audit tests to be applied in our audit of the financial statements, and this report of such conditions does not modify our report dated February 22, 2008 on such financial statements.

  
Flax and Company, P.C.

February 22, 2008

END